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National
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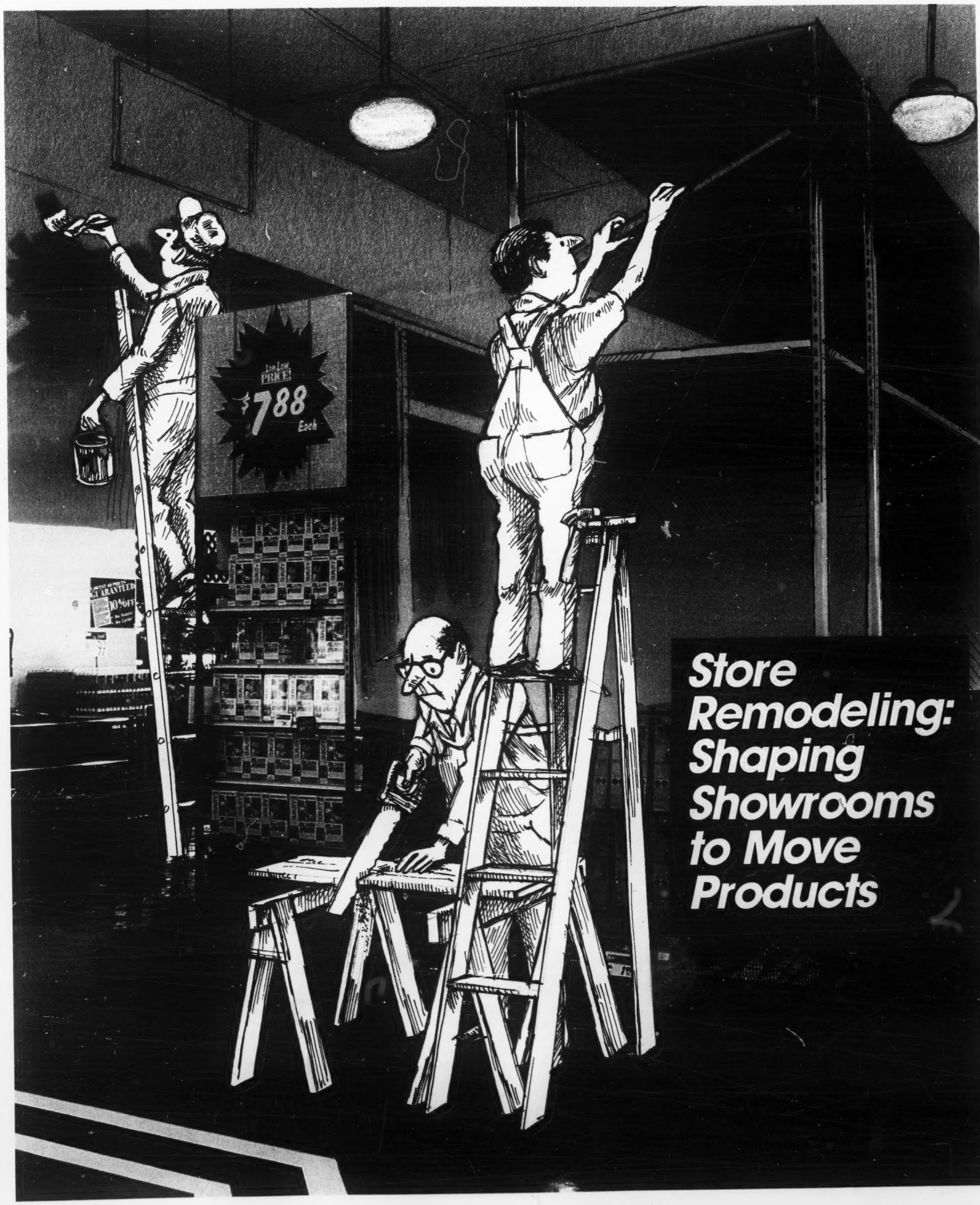

Store Remodeling: Shaping Showrooms to Move Products

INDUSTRY UPDATE

Gem Lumber yard burns down

BROOKLYN, N.Y. — A Gem Lumber Company yard here burnt to the ground earlier this month after a three hour fire broke out shortly after 2 a.m. on Aug. 5. According to a report by the Associated Press, fire officials had not determined the cause of the blaze at the lumberyard, which is located in the Crown Heights section of Brooklyn. No injuries or evacuations were reported, but fire officials said the business was gutted by the fire.

Home Depot hires new exec vp

ATLANTA — The Home Depot has hired a new executive vice president to fill a position that had been vacant since the departure of Pat Farrah about a year ago.

William Kelly, former president and ceo of American Home Video, a subsidiary of the Jack Eckert Corp., assumed his new position at Home Depot on Aug. 18.

He will have responsibility for merchandising and marketing and will report to Arthur Blank, president.

Andersens to debut General Store

MAUMEE, Ohio — The Andersons Co. will open a 135,000—sq.—ft. home center—grocery store in Columbus, Ohio, August 28, its first venture in that market. The Andersons General Store features a 50,000—sq.—ft. home center and a 50,000 sq. ft. lawn and garden center outside, with a grocery store, wine shop, a bank and several concessions inside. The Andersons operate hypermarkets in Toledo and Maumee, but their primary business is worldwide grain export. According to a spokesman, grain sales and agricultural products production accounted for $499 million of the firm's $567 million in 1985 sales. The spokesman said retail sales from the hypermarkets has grown to $68 million last year from $41 million in 1983.

Rickel opens pre-engineered unit

SOUTH PLAINFIELD, N.J. — Rickel Home Centers was set to open the industry's first pre-engineered, preassembled home center store on Aug. 27, in Johnson City, N.Y.

Rickel executives, said the pre-fabricated store costs less to construct and is more energy efficient than a built-to-suit unit. Officials said the store enjoyed an 18-week construction period vs. at least six months to construct a typical ground-up unit.

This month, the company also announced it signed a lease for a store in Newington, Conn., and started contruction on another store in Manchester, Conn.

Both units will be laid out according to the company's latest prototype.

Cyclops to vote on divestiture

PITTSBURGH — Cyclops, the $1.4 billion parent company of Busy Beaver Building Centers, has slated an Aug. 28 shareholders meeting to vote on the divestiture of its steel division. The split would leave Busy Beaver and Silo, an appliance retailer, as a separate publicy-owned company.

In its proxy ,Cyclops reported the retail division had earnings of $13.2 million on sales of $510 million.

Home center stocks hit slump

NEW YORK — Home center stocks went into the dog house as the dog days of summer put the heat on Wall Street.

Only seven of 55 home center and vendor stocks went up in the two week period that ended Aug. 8. Owens-Corning Fiberglas, which gained some unwanted attention from Wickes Cos. earlier this month, rose by 40.5% to $76.75.

In the face of disappointing earnings reports, Zayre Corp. declined 23% to $28. Service Merchandise went down 14.5% to $8.88

Much of the other declines seem to indicate profit taking as a result of the market's recent run up. Pay 'N Pak fell 8.3% to $13.75.

Payless Cashways fell 8.2% to $19.50.

Home Depot fell 5.5% to $17.13.

(See financial table, page 94)

7 Gainers

Unchanged 3

Losers 45

If you spot home center industry news, call the *NHCN* NEWS HOTLINE:

1-800-NHC-NEWS

(1-800-642-6397)

Available throughout the U.S., except New York State and Alaska: 212-371-9400, 9-5:30 (E.S.T.).

P. F. O'Connor refurbishes four Brewster units as image booster

By an NHCN staff editor

BRAINTREE, Mass.— When P.F. O'Connor bought Brewsters, the Providence, R.I.-based company, last April, he faced a challenge to bring the four units into the 1980's and make them more sensitive to consumer needs.

The company had already established an identity for its five P.F. O'Connor units in New England and its single Florida unit, which operates under the name Century Lumber in Vero Beach.

All are run as basic lumberyards with a narrow product mix of paneling, lumber and building materials. But the consumer-oriented Brewster stores were struggling with an image problem, as the store security dominated merchandise displays and lay-out.

"The company has been in limbo over the last two years," said Patrick O'Connor, president of the 10-unit chain. "We intend to refurbish all units."

One shopper who came to the Brewsters unit in Wilmington, Mass., recently had to take a number and wait 35 minutes before having her question answered by an employee. The store was run like a contractor sales desk with all employees stationed behind the one service and check-out counter, which faced the front entrance.

The store also had 2-ft. signs above the service desk with negative messages:

"Ten percent handling charge on all returns. Customers must have original cash ticket.

No picking over lumber. It must be taken off the pile. We are not responsible for damage or shortage once the materials have left this yard. No checks."

These are now being dismantled and, in future, there will be a "Welcome to Brewsters" sign instead. O'Connor will add an express check-out counter and is currently hiring additional employees.

"We want to rid ourselves of some of the negative feedback and make the stores more appealing to the consumer," said O'Connor. There is a joint team of P.F. O'Connor and Brewsters people currently working to "resurrect" the Brewsters stores.

Bath displays and shower vignettes, now surrounded by 3-ft.-high iron fences and bolted to the floor, will be replaced by new merchandising displays. Customers will be able to serve themselves from merchandise racks. Small items are available only on request from the service counter.

Buying for the Brewsters stores is done from the Providence, R.I., store but is overseen by Mike Rymsha, head buyer for both operations based at P.F. O'Connor's. The executive management which meets bi-monthly at Braintree headed by O'Connor's long-term associate Austin O' Brien, executive vp, is currently reviewing Brewsters merchandising mix.

The company has just introduced a new logo to provide corporate continuity between the 10 stores. It is also installing a new computer system and controlling all advertising from Braintree.

To encourage the consumer who represents about 50% of Brewster's total sales, O'Connor has stepped up its advertising circulars from once to twice a month. It is also introducing a new catalog which lists over 40 items on sale.

The Brewster stores in Wilmington, Mass., north of Boston, and the Milford and Hartford, Conn., units are well located for consumer trade, within two miles of interstate 93 and the interstate 91, and have large parking lots.

Fish Building Supplies remodels Wis. unit in response to growing market

By an NHCN staff editor

WINONA, Minn. — Fish Building Supplies, the subsidiary of United Building Centers based here, recently remodeled its Middleton store to take advantage of the growing Madison, Wis., metropolitan market.

The remodeling was a response to special market conditions and UBC has no current plans to remodel any of the other remaining units according to Daryl Nagel, president.

The Middleton unit is the chain's highest volume store. It taps the professional population which works in the area's hospitals, state offices and at the University of Wisconsin.

With only 20,000 sq. ft., the store was unable to stock and merchandise products for this growing consumer population. But with the addition of a further 15,000 sq. ft. the Middleton store could expanded its departments and deepen its product mix. Officials upgraded the store's kitchen and bath department, relocated the lighting department to the main floor, brought in lumber and building materials to expand consumer business and built a millwork house inside the store.

Fish Building Supply upgraded its plumbing lines and now carries a full line of Kohler products. The store is now able to display six different bath vignettes and an expanded offering of vanities and medicine cabinets.

"Kitchen and bath remodeling is a once in a lifetime project. The more we can show it the easier it is to make the sales,"said Nagel.

The lighting department has relocated from upstairs on the mezzanine to the main floor. Lighting is now merchandised in 12-ft. high racks, and forms a complete wall stretching along a 120-ft. expanse.

(Continued on page 10)

Menards hits obstacles during Knox acquisition

By an NHCN staff editor

EAU CLAIRE, Wisc. — An attempt by Menards Cashways to acquire Knox Lumber Co. stores in Fargo, N.D.; Sioux Falls, S.D.; and Duluth, Minn., has hit a snag.

"It's no secret we've been negotiating," said John Menard, president of Menard, Inc., on August 6. "It's been going pretty slow and I guess we'll just keep going."

"There's always another obstacle," said Menard. When asked what slowed the negotiations with Knox, Menard said "price."

According to retailers, the proposed deal between Knox, St. Paul, Minn., and Menards Cashways, Eau Claire, Wisc., is a package for the three stores.

Dick Miller, president of Knox, declined comment on negotiations with Menards.

All three Knox locations were closed for inventory on three or four days in the last week of July, according to home center retailers in the three locations.

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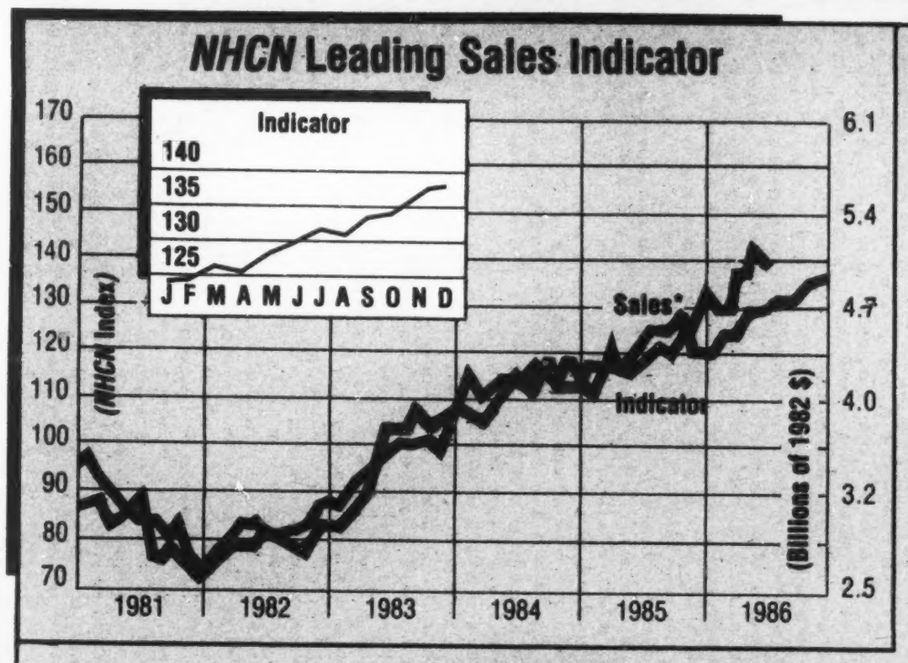


*—Monthly retail trade building materials, hardware and supplies in (1982 $).

Indicator—represents an estimate of future building material retail sales (adjusted for inflation) relative to Jan. 1980, based on current levels of housing starts and resales, personal income, interest rates and related data.

The NHCN Leading Indicator is projecting a flattening in building material sales in the near term. Resales were down in the first quarter and will weaken building material demand. By year end, sales will begin to increase from the lagged effect of the recovery in existing home sales in the spring and lower interest rates.

Building material sales remain strong as economy slows down

By Richard E. Mount
Special to NHCN

Merrill Lynch Economics has reduced its economic forecast for the second half of 1986. The long-awaited second half rebound is unlikely to materialize. Instead, the economy is likely to move sideways for the rest of this year. The slowdown this year will be a plus for the economy in 1987. A rebound will develop next year and interest rates will be lower.

The outlook for building material sales has been trimmed to a 13% gain this year from the previous forecast of 15%. For 1987, building material sales will rise 10%, up from 8% in our previous forecast.

Richard E. Mount

Economic concerns

Consumer spending, which increased at a 4.5% rate in the first half, will be weaker in the second half of 1986. Household finances will be strained by high debt levels and sluggish income growth.

Housing starts will weaken throughout 1987. vacancy rates in rental units are at their highest level since 1967, and apartment construction will suffer. The tax package should be passed in the fall, lowering the investment incentives of real estate.

Business investment is headed lower in the near term. Corporate cast flow is slowing, tax reform means a business-tax hike, and capacity utilization in manufacturing stands at 78%. Office buildings are overbuilt and will be hit by tax reform. Weakness in energy-related investments will spread to finance and business services.

Interest rates will fall dur-

(Continued on page 90)

Home Center Industry General Business Outlook

		1985			1986				1987			
		QII	QIII	QIV	QI	QII	QIII	QIV	QI	1985	1986	1987
***NHCN* Leading Sales Indicator** (January 1980 = 100)		116.0	121.0	123.4	124.7	127.9	132.1	136.5	138.7	118.5	130.3	140.7
General Economic Outlook												
	GNP $1982 Billion	3,567.6	3,603.8	3,622.3	3,655.9	3,665.7	3,680.5	3,678.3	3,690.3	3,585.2	3,670.1	3,726.9
	Real Disposable Income $1982 Bil.	2,550.8	2,524.7	2,540.7	2,581.2	2,626.6	2,634.5	2,633.9	2,657.3	2,528.0	2,619.1	2,674.7
	Housing Permits (000 SAAR)	1,731	1,762	1,741	1,834	1,806	1,750	1,650	1,550	1,739	1,767	1,621
	Housing Starts (000 SAAR)	1,743	1,688	1,773	1,988	1,908	1,850	1,750	1,650	1,742	1,874	1,709
	New Home Sales (000 SAAR)	681	711	696	789	789	790	750	725	686	780	731
	Resales (000 SAAR)	3,043	3,360	3,500	3,257	3,476	3,475	3,400	3,450	3,216	3,402	3,475
	Prime Rate %	10.2	9.5	9.5	9.4	8.6	8.1	7.5	7.3	9.9	8.4	6.8
	Mortgage Rate % (HUD)	12.9	12.1	11.8	10.8	10.3	10.0	9.5	9.3	12.5	10.2	9.0
	Consumer Price Index (1967 = 100)	321.1	323.0	326.5	327.7	326.3	328.2	330.6	331.1	322.1	328.2	337.3
	Producer Price Index (1967 = 100)	293.8	293.1	296.4	292.0	288.0	288.7	289.6	292.1	293.9	289.6	296.2
	New Housing Affordability 1980-100)	114.0	120.7	120.5	128.6	127.1	128.9	132.2	133.4	117.6	129.2	134.8
Residential Alterations and Repairs												
Current	**Total $ millions SAAR**	70,400	77,800	90,600	84,963	87,508	90,543	92,903	94,567	80,267	88,980	97,902
	Maintenance and Repair	32,400	33,200	39,800	37,586	38,675	39,781	40,907	41,683	35,358	39,237	42,855
	Additions and Alterations	25,600	29,800	30,400	29,910	30,833	31,861	32,543	32,869	28,775	31,287	34,303
	Major Replacements	12,400	14,700	20,400	17,470	18,001	18,901	19,453	20,015	16,134	18,456	20,742
Constant												
	Maintenance and Repair	18,858	19,385	22,780	21,300	21,700	22,100	22,500	22,700	20,719	21,900	22,988
	Additions and Alterations	14,900	17,400	17,400	16,950	17,300	17,700	17,900	17,900	16,775	17,463	18,400
	Major Replacements	7,217	8,583	11,676	9,900	10,100	10,500	10,700	10,900	9,491	10,300	11,125
Retail Trade Activity												
Current	**Total $ millions SAAR**	1,369,400	1,399,296	1,388,316	1,404,932	1,419,720	1,441,117	1,472,960	1,495,392	1,373,941	1,434,682	1,530,632
	Total Minus Automobile	1,055,360	1,066,248	10,822,244	1,095,360	1,097,860	1,108,134	1,135,389	1,154,366	1,061,148	1,109,186	1,184,048
	Building Material, Hardware, Garden Supply, Mobile Home	73,280	74,328	78,024	83,904	85,436	83,983	85,265	87,891	74,062	84,647	89,787
	Building Material and Supply	53,512	53,736	56,976	61,180	63,380	59,699	55,961	61,496	53,841	60,055	65,833
	Hardware	10,912	11,116	11,572	11,416	11,220	11,851	12,023	12,348	11,092	11,627	12,617
Constant	**Total Millions $1982 SAAR**	1,279,412	1,307,324	1,286,256	1,303,725	1,329,325	1,336,000	1,352,000	1,359,000	1,282,071	1,330,263	1,370,250
	Total Minus Automobile	993,124	1,003,052	1,007,676	1,024,780	1,038,660	1,038,000	1,053,000	1,060,000	996,515	1,038,610	1,071,000
	Building Material, Hardware, Garden Supply, Mobile Home	69,827	70,833	73,628	78,792	78,910	76,800	77,200	78,790	70,244	77,901	79,290
	Building Material and Supply	50,990	51,209	53,765	57,369	60,560	56,200	51,800	56,360	51,055	56,482	59,410
	Hardware	10,398	10,593	10,922	10,707	10,710	11,200	11,250	11,440	10,512	10,967	11,515
	Building Materials % of Total Less Automobile ($Current)	5.07	5.04	5.26	5.59	5.77	5.39	4.93	5.33	5.07	5.41	5.56

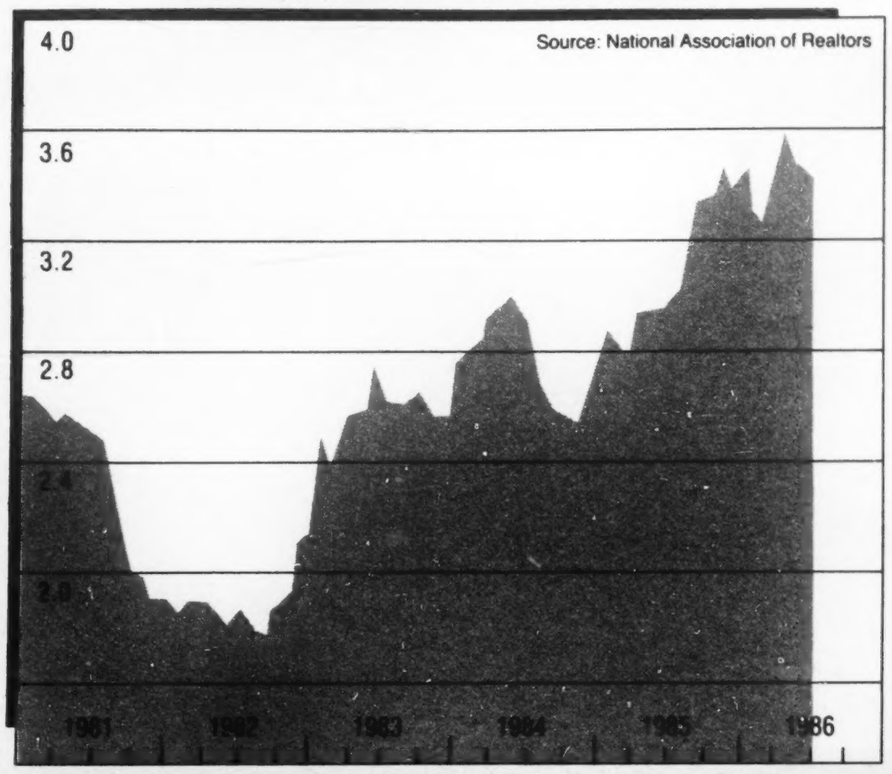
Data: Department of Commerce
Bureau of Labor Statistics
National Association of Realtors
Department of Housing and Urban Development
July 30, 1986

The Home Center Industry Outlook runs in two parts, in alternate issues. The first part includes latest data on the General Economic Outlook; Residential Alterations & Repairs; and Retail Trade Activity. The second part includes latest data on regional building material & supply store sales; and industrial production. The *NHCN* Leading Indicator runs every issue.

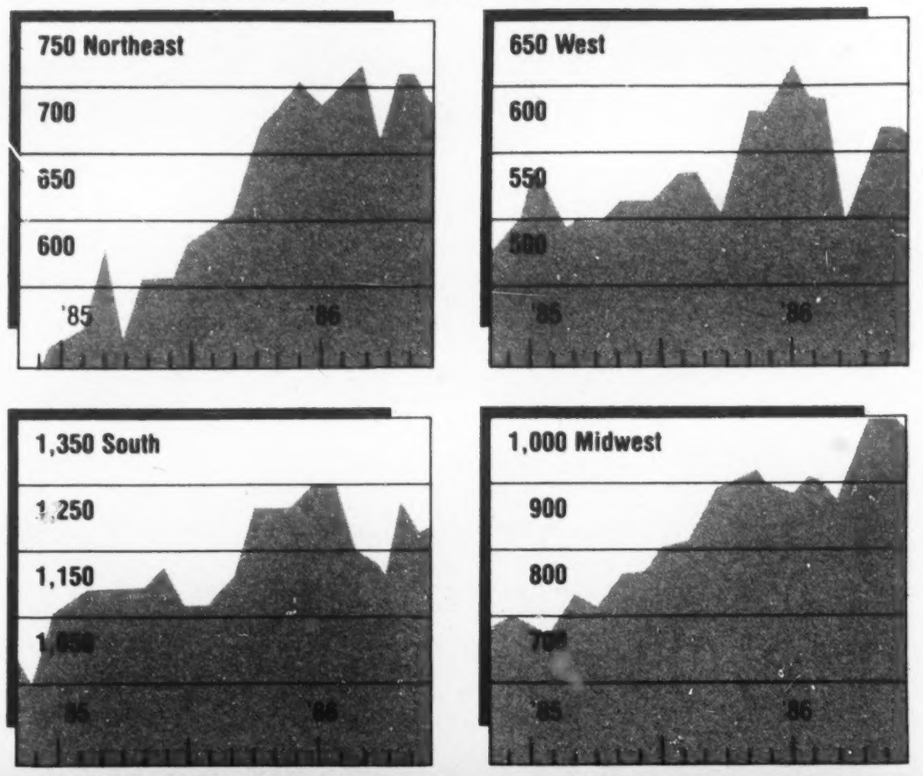
SAAR—Seasonally Adjusted Annual Rate
p—projection
NHCN chart
Source: Merrill Lynch Economics for *NHCN*

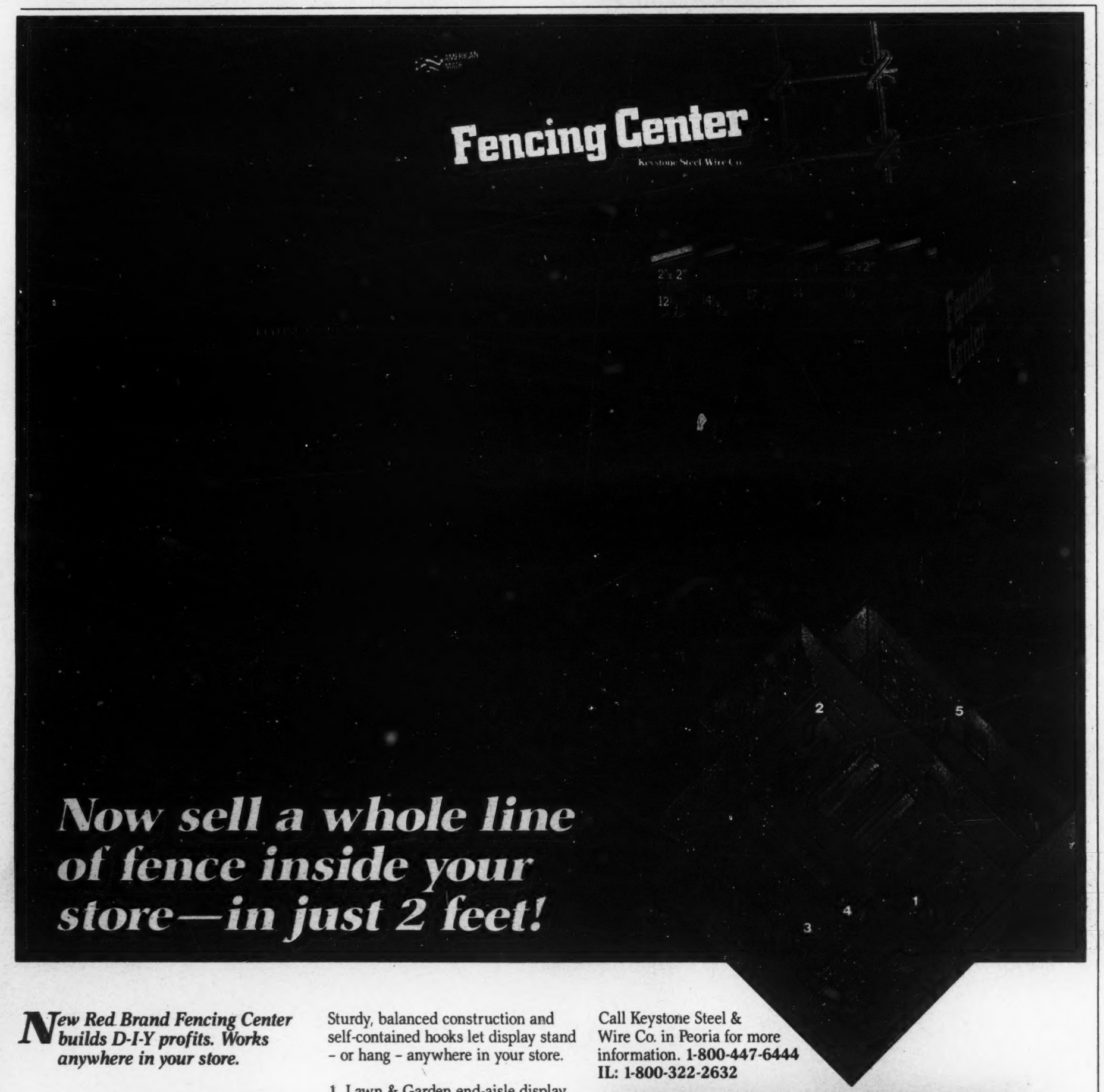
HOUSING WATCH

National existing single-family home sales
Seasonally adjusted annual rate (in millions of units)



Regional existing single-family home sales
Seasonally adjusted annual rate (in thousands of units)





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Home resale activity drops 1.2% in June

By an NHCN staff editor

NATIONAL REPORT — Rising mortgage rates are blamed for the small drop in resale home activity in June, the National Association of Realtors (NAR) reported. Activity fell 1.2% to a seasonally adjusted annual rate of 3.41 million units.

Home prices also lost ground in June, down 1%, or $900, to $82,300, but remained 7.6% ahead of the $76,500 median-price of one year ago.

Even with the monthly declines, the June sales pace was 11.1% ahead of the rate set in June 1985, the association noted. And for the first six months of the year, resale home activity was 12.5% above the same level in 1985.

Economists with the NAR are projecting that the downward sales spiral will end soon. They are projecting that mortgage interest rates will resume their downward path in the following months, sparking new sales.

Because of this, NAR analysts are predicting that the annual resale rate should be about 3.6 million units in the third quarter and 3.7 million units in the fourth quarter.

Home prices also should be strong this year, increasing by about 8% in 1986 followed by a 5% gain in 1987, compared to the 4.3% jump in 1985.

Median sales price
(in thousands of dollars)

	June[p]	May[r]	April	Mar.
U.S.	82.3	83.2	80.2	79.8
Northeast	109.3	104.9	105.1	102.4
South	80.0	82.9	78.4	79.5
Midwest	65.4	64.6	66.2	64.4
West	101.5	104.7	96.6	97.1

[p]-preliminary [r]-revised

But for June, resales were fairly flat and home prices were mixed. Only the South recorded a sales increase and it was less than 1%, to a seasonally adjusted 1.19 million units.

Activity was down the most in the Northeast in June, by 4.4% to 680,000 units seasonally adjusted, but still 13.3% ahead of last year. Sales were off in the Midwest by 2%, to 970,000 units, but were 15.5% ahead of June 1985. And sales were off by 1.8% in the West, to an annualized 560,000 units, 3.7% above June 1985.

Despite the monthly decline in the price of a median-priced resale home in the U.S., activity was mixed among the regions. In all respects, however, home prices are up over last year.

In June, home prices of previously occupied homes in the Northeast rose 4.2%, to $109,300, a 22.3% increase over the same month last year. Houses were also more expensive in the Midwest, up 1.2% or $800 to $65,400, a 7.6% increase over June 1985.

Housing was cheaper in the South and West in June, however. The median-priced resale home in the South cost 3.6%, or $2,900, less in June than in May, to $80,000, a 4.6% increase over the June 1985 price of $76,500.

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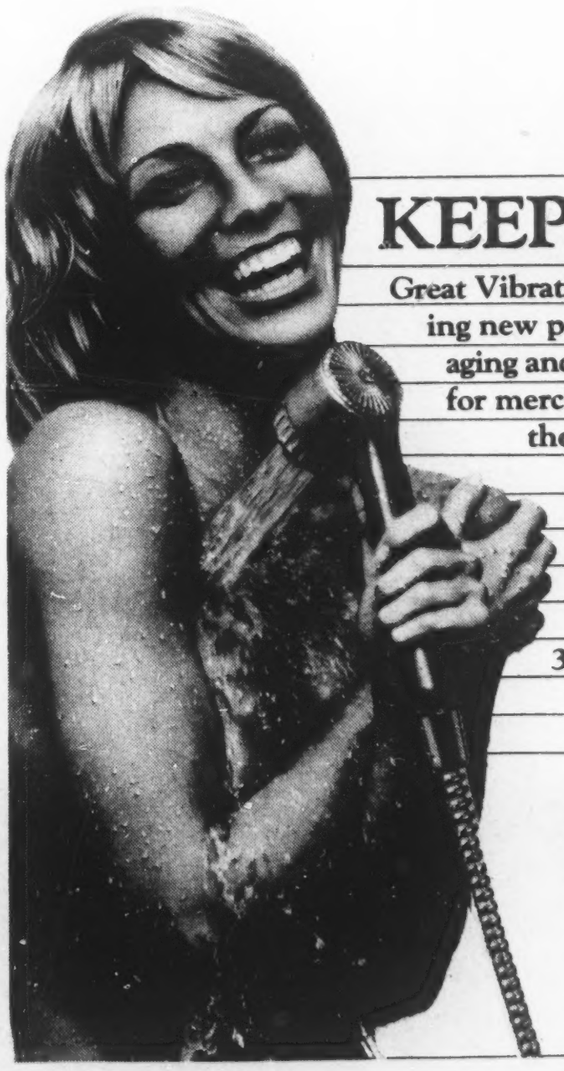

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LUMBER REPORT

Informal U.S./Canadian talks target shingle tariff change

By Hawk Furman
Special to NHCN

Informal talks between Canadian and U.S. trade representatives could lead to a change in the current 35% duty on western red cedar shingles and shakes coming into the United States from Canada.

The trade negotiators can structure an orderly marketing agreement which could reduce the duty or change other parameters of the agreement. Changes may be made with he approval of the U.S. trade representative and there is a chance an orderly marketing agreement could be reached on lumber before the International Trade Administration (ITA) reaches its decision on October 9, 1986 on whether or not to levy a duty on Canadian lumber.

> "The trade negotiators can structure an orderly marketing agreement which could reduce the duty or change other parameters of the agreement."
> —Hawk Furman

New trade representative

Canada made a significant change in cabinet responsibility by appointing Pat Carney as Minister of International Trade.

She replaces the Honorable J. Kelleher. Carney has a reputation for being a smart and "tough negotiator." Her previous experience was as Minister of Energy.

Carney wants to avoid a trade war and well she should with 78% of all Canadian exports currently going to the U.S. She also wants fair trade on forest products and she will work to accomplish this.

There is some increasing support in congress and among some U.S. lumber producers for moderation on the lumber duty. Many U.S. legislators were surprised by the strong adverse reactions of their constituents and the Canadians on the shake and shingle tariff.

The United States did $116 billion in trade with Canada in 1985. Lumber imports from Canada accounted for $2.8 billion. Twenty percent of all U.S. imports come from Canada. The U.S. exports more goods to Canada than it does to all ten countries in the European Economic Community combined.

Mills question tariff

A group of mills in the Pacific Northwest are having second thoughts on the tariff.

The forest Products Working Group of the Pacific Northwest International Trade Association feel a tariff would ultimately be harmful to the West Coast producers.

"The negative effects outweigh the positive," said Larry Kromer, co-chairman of the Forest Products Working Group and an employee of Avison Lumber in Molalla, Ore.

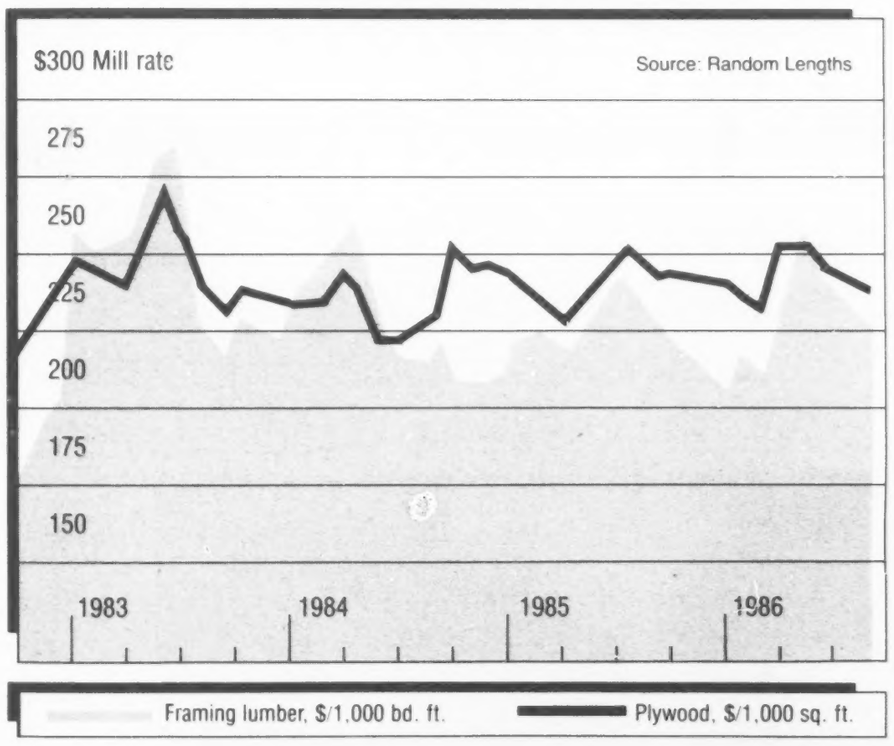
An article in *The Portland Oregonian* stated Mr. Kromer said "The proposed 27% tariff on Canadian lumber, would, indeed, temporarily reduce Canadian imports and produce higher prices for Northwest lumber." But, he added, "Higher lumber prices would then inflate stumpage costs, erasing any gains in profit margins and making the Northwest mills less not more, competitive, in domestic and world markets."

The Coalition to Stop Unfair Wood Tariffs is a lobby group in Washington whose membership includes 35 associations and over 500 companies. The growing coalition is continuing to work hard to communicate to Congress and the Administration that restrictions on Canadian wood products would cause significant damage to a variety of key U.S. industries, including home building, manufactured housing companies, lumber dealers, publishers, ports, railroads, longshoremen, stevedoring companies and others.

Neither the United States or Canada want a trade war. Bilateral free trade talks are going on right now, and to have lumber a $2.8 billion import item threaten $116 billion in trade between two friendly nations does not make sense. Therefore it would seem there is a possibility of an orderly marketing agreement on lumber being negotiated to benefit of both countries before a U.S. duty would be enacted.

Commodity close-up

Composite lumber/plywood price profile
(per thousand board feet)



Both framing lumber and plywood trading prices have dropped since the first quarter. Framing lumber dropped from $232 a thousand board feet in April to a low of $199 by the end of July. Plywood prices eroded from $225 a thousand board feet in April to $219 the end of last month.

Futures

LUMBER (CME)—130,000 bd. ft. spruce-pine-fir 2x4's; $ per 1,000 bd. ft.
Two weeks ended July 31

	High	Low	Close (Settle)	Previous Week	Open* Interest	Contract High	Contract Low
Sept.	$159.80	$148.60	$156.20	$157.90	2,800	$182.40	$145.50
Nov.	$155.40	$146.90	$152.20	$154.00	1,583	$174.50	$146.00
Jan. '87	$158.30	$151.00	$156.60	$156.90	364	$175.00	$150.00
March	$162.40	$154.50	$158.90	$160.90	209	$175.50	$153.00
May	$162.60	$155.50	$159.90	$160.60	51	$174.50	$155.50
July	$163.00	$155.10	$159.90	$162.00	22	$175.50	$155.10

Total Contract Vol. (Through 7/31): 14,616 **Previous Two Weeks: 14,974**
Total Open Interest (As of 7/31): 5,039 **Previous Week: 5,259**
Cash Price: $170.52 **Previous Week: $171.50** **Year Ago: $150.92**

CME—Chicago Mercantile Exchange *Figures for Thursday, 7/31
Open Interest is the number of outstanding contracts for each delivery month not liquidated by an offsetting transaction or fulfilled by delivery.

THE DURO™ DIFFERENCE

- Faster turns
- Higher repeat sales
- Greater profits per square foot

DURO QUICK GEL™
NO-RUN SUPER GLUE
With M.T.S.™ Additive

There's no other Super Glue like it!

Loctite Corporation
Automotive and Consumer Group
Cleveland, Ohio 44128

Duro, Quick Gel, M.T.S. & More Thick, More Quick, More Stick are TMs of Loctite Corporation © 1986

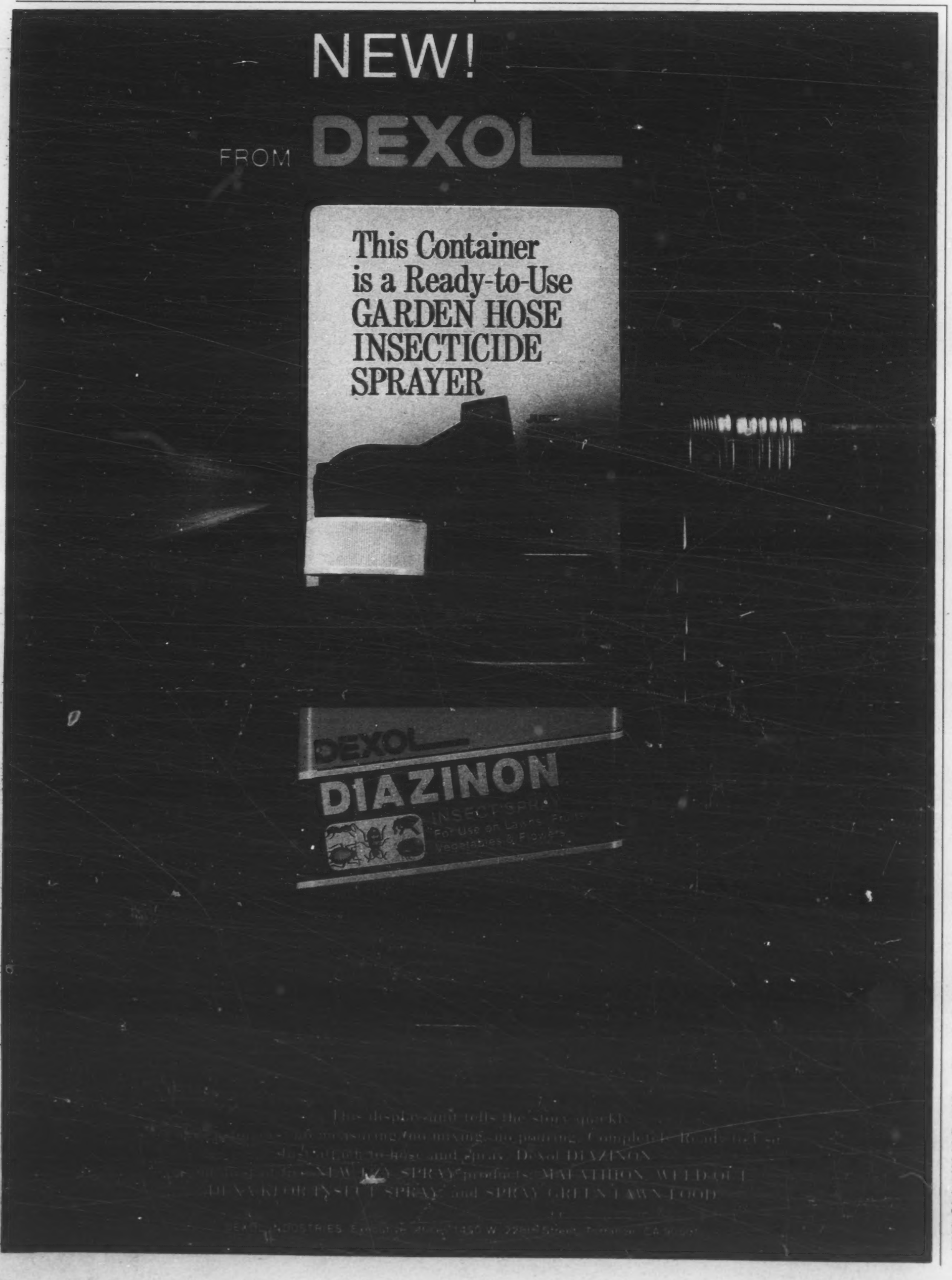
ADVERTISING & MARKETING

Retailers encouraged to develop long-range advertising programs

Readership of Weekday News
(by different consumer segments)

Consumer segment	Down market	Middle market	Up market
Younger singles	52%	59%	62%
Income classification	under $12,500	$12,500-$12,999	$30,000+
Younger couples	42%	60%	62%
Income classification	under $17,500	$17,500-$44,999	$45,000+
Younger partners	55%	64%	62%
Income classification	under $15,000	$15,000-$34,999	$35,000+
Mid-life families	73%	85%	86%
Income classification	under $20,000	$20,000-$44,999	$45,000+
Older households	70%	82%	88%
Income classification	under $8,000	$8,000-$22,499	$22,500+

Source: Management Horizons



By an NHCN staff editor

NATIONAL REPORT — Many retailers approach advertising with exclusively short-range views and goals. This has led to an abundance of reduced-price item advertising and blurred the importance of long-range advertising strategies, according to Management Horizons, the market research and management consulting firm based in Dublin, Ohio.

In order to encourage retailers to develop long-range advertising plans and target key groups of consumers, Management Horizons recently produced a report called "Advertising to Core Segments".

The first part of the report identifies the different core consumer segments of the market which the retailer may want to target.

Core consumer segments

Consumers were divided into different life-style categories based on income and status. "Younger parents" were considered "down market" if their incomes were under $15,000, in the "middle market" if incomes were between $15,000 and $34,999, and "up market' if incomes were above $35,000.

The data used to generate the report was compiled from the consumer habits of 4,046 members of the National Family Opinion Panel.

Having identified the different consumer segments the report then summarizes the most effective means of advertising to that key consumer.

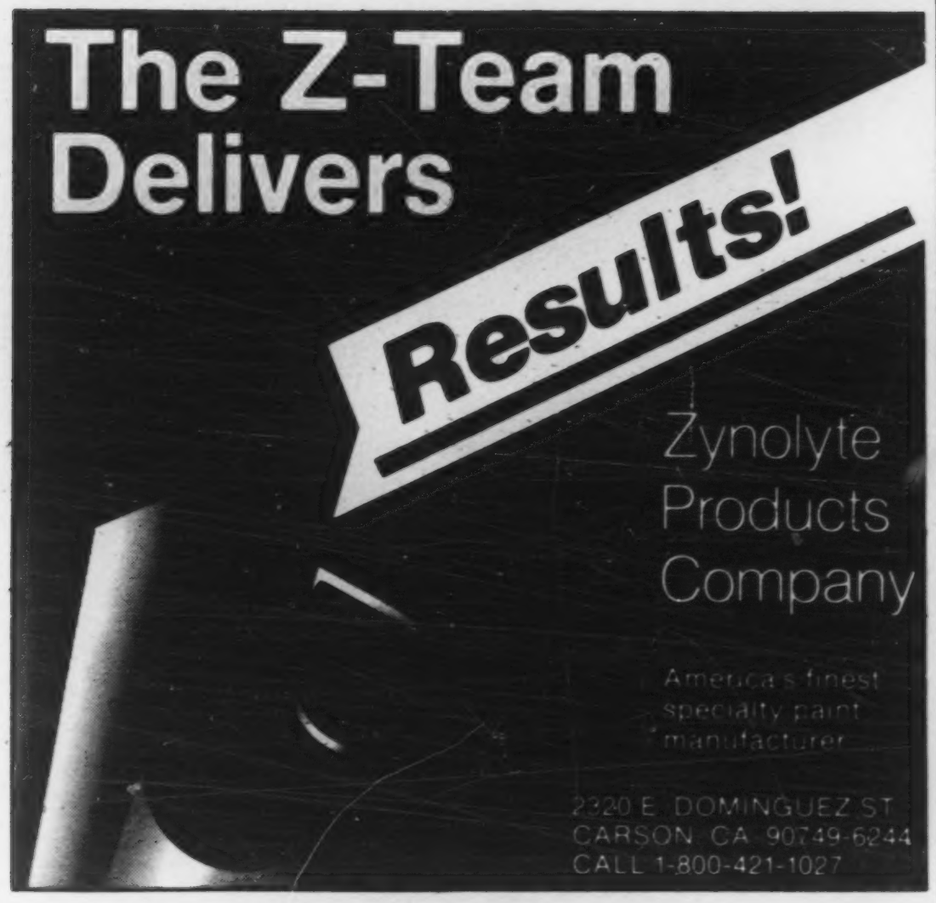
Newspapers

Although newspapers still represent about 70% of the average retailer's media budget there is a major trend away from run-of-press (ROP) advertising. Retailers are turning instead to preprinted inserts within the local newspaper, and have increased their commitment to direct mail and marriage mail services.

In general, newspapers reach a broad consumer base but the placement of ROP spots can lead to diminished readership, for certain segments are only read throughly by small percentages of the population.

●–Business section readership is the highest among up market segments.

(Continued on page 76)



ADVERTISING & MARKETING

Home Depot introduces new ad program featuring 'Catabook'

THE HOME DEPOT
SAVE BIG BUCKS
HERE'S A POCKET-SIZE BOOK PACKED FULL OF JUMBO-SIZE BARGAINS!
PRICES GUARANTEED THROUGH AUG. 26

Home Depot's 'Catabook' highlights certain products with special sale price.

By an NHCN staff editor

ATLANTA — The Home Depot departed from its normal flexi advertising circular in mid-July by introducing the "Catabook."

Its small size, 4-in. x 7-in., compared with the 7-in. x 10-in. flexi, makes it easy to fit into the pocket. The theme of the catabook is "Save Big Bucks," and the cover features cartoon character Homer pushing a wheelbarrow full of dollars.

Highlights sale products

On some pages only one item is featured. In this way the catabook highlights certain products with special sale prices. For example, the single item Glidden Spred Satin paint is advertised on one page for $7.47 a gallon. Similarly, American Woodmark cabinets take up a whole page advertising 60% off list price. Because of this format, the 97-page book features fewer items than the regular flexi.

"If we devoted a whole page of our larger flexis to a single product it would be overkill," said Steve Burrows, director of advertising at The Home Depot.

The cartoon character Homer pops in and out of the catabook adding humor and emphasis to certain items.

The printing costs of the Catabook are comparable to a large flexi, according to Burrows. Next month Home Depot will be returning to the old format but will continue to introduce the catabook at intervals to provide variety.

Retailers encouraged to target key groups

(Continued from page 74)

- Sports section readership is highest among older households
- Ad inserts are used most by down market segments, mid-life-families and older households in the middle market and younger parents in all markets.

Television

From the consumer's viewpoint TV represents the preferred source for new product information and for the general surveillance of products and services.

Certain types of programs are viewed more often by certain population segments. The report found that:

- TV news reached 4 out of 5 consumers daily and especially older consumers.
- Soap operas are viewed especially by down market segments and unemployed consumers.
- TV movies are popular especially among younger segments.
- TV sports are viewed especially by mid-life families and older households in the middle market.
- Comedies and dramas have a broad-based appeal.

Radio

Although consumers listen to a great deal of radio, the vast number of station choices in major markets often created difficulties in determining which radio formats reach the core customer base. The most popular formats include:

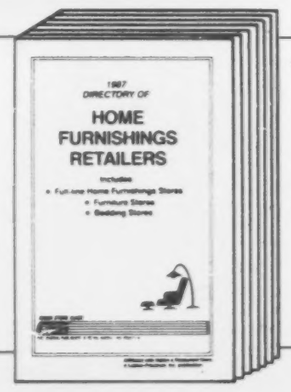
- News radio targeted to mid-life families and older households.
- Adult contemporary (younger middle and up market segments)
- Top 40 (younger segments).
- Country/Western (younger parents and mid-life families in the down market).
- Golden Oldies (younger parents, mid-life families in down and middle markets).

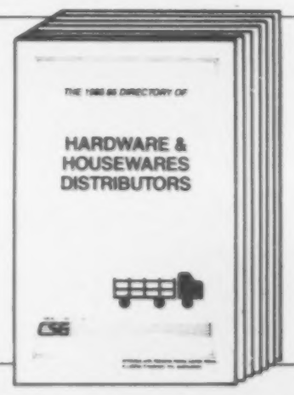
YOU CAN'T DO BUSINESS IN THE DARK!

CREATE NEW MARKETS
For Your Products & Services with CSG's
1986 Market Directories!

- *Identify all the retail chains and distributors in the country and locate prime prospects and potential distributors you're not doing business with.*
- *Key-in on the top decision-makers and the lines they buy.*
- *Maximize the efficiency of your sales team and increase your bottom line by cutting out wasted sales calls.*
- *Support your sales efforts by generating in-house direct mail promotions throughout the year while targeting these mailings at specific segments of the marketplace and at key decision-makers by name.*
- *Use as a telemarketing tool for your in-house sales organization and sales support services.*

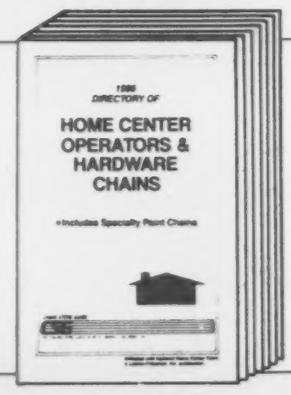
1987 HOME FURNISHINGS RETAILERS
Companion guide to home center, hardware/housewares, GM directories that contains complete selling information on 5,000 furniture and horizontal home furnishings retail companies operating 15,000 stores.





1985/86 HARDWARE & HOUSEWARES DISTRIBUTORS
Published in March, 1985
Companion guide to the home center and GM directories that provides complete company profiles on 2,750 houseware, paint & paint sundries, electrical, heating, cooling, plumbing, lumber, building supplies and lawn & garden distributors serving 6,500,000 retailer, contractor and commercial accounts.

1986 HOME CENTER OPERATORS & HARDWARE CHAINS
Published in July, 1986
Provides complete company profiles on 6,300 home centers, lumber/building material companies and hardware chains operating 18,500 units.



CSG Information Services
THE LEADING SUPPLIER OF RETAIL MARKET INFORMATION

Please send me:
☐ 1987 Directory of Home Furnishings Retailers _____ copy(ies) at $249 each.
☐ 1986 Directory of Home Center Operators _____ copy(ies) at $179 each.
☐ 1985/86 Directory of Hardware Distributors _____ copy(ies) at $149 each.

Name _____ *Title* _____
Company _____ *Phone #* _____
Address _____

Method of Payment:
☐ Check enclosed ☐ AMEX ☐ Mastercard ☐ VISA ☐ Diners
☐ Bill me (subject to credit approval)
Account No. _____ Exp. date _____
Authorized signature _____

Chain Store Guide 425 Park Ave. N.Y., N.Y. 10022 (212) 371-9400
A Subsidiary of Lebhar-Friedman, Inc.

GNP growth slowed to 1.1% in the second quarter and expansion in the second half will be weak. This follows an expansion that kept GNP above its long-term trend. Building material sales, however, will increase 13% in 1986 and 10% in 1987.

Building material sales remain strong as economy slows down

(Continued from page 16)

ing the remainder of the year in response to the weak economy. Another cut in the discount rate is expected as signs of weakness in the economy emerge. Mortgage rates will near 8.8% by the end of 1987, almost 100 basis points lower than our previous forecast.

The Federal deficit will be higher from the slowdown in the economy. The projected fiscal 1987 budget deficit will near $200 billion, almost the same as the estimated 1986 deficit, and well above the $144 billion specified by the Gramm-Rudman legislation.

Building material sales will not be significantly impacted by the softening in the economy during the second half. Our forecast of sales has been trimmed from 15% to 13% for 1986 and raised to 10% from 8% for 1987.

The strength in housing starts and existing home sales in the first half of 1986 will keep building material sales strong in the second half. The *NHCN* Leading Indicator, which incorporates these factors as well as interest rates and real consumer income, points to rising sales in the fourth quarter.

The weakness in housing will be concentrated in apartment units. Single unit starts, a far larger market for building material sales, will remain at 1.0 million units to 1.2 million units through 1987. Strength in single unit housing will keep the demand for building materials up.

Changes in the tax code will be favorable for retail sales of building materials. By reducing the marginal tax rate, the pretax cost of goods declines. Sales of goods on credit, however, will be harmed by the loss of interest deductions.

The drop in interest rates will be a plus for single-unit starts, resales and new home sales. Housing surged in the first half of 1986 when mortgage rates declined. While the decline in the second half will not be as sharp, lower rates will still be positive for building material sales.

Changed outlook

Building material sales will be lower in the fourth quarter of 1986 than in previous forecasts. The slowing economy will limit gains in consumer income, and postponable purchases will be cut back. Building material sales will not fall as rapidly as other sectors.

Sales gains in 1987 will be 10% higher than prior forecasts, The economy will be in recovery, the weakness in housing will be concentrated in multi-units, and mortgage rates lower.

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PROOF THAT LITTLE PEOPLE CAN HAVE BIG PROBLEMS.

Alcoholism Council of Greater New York
133 East 62nd Street, New York, N.Y. 10021
(212) 935-7075

"The last thing I need is another line of bath furniture." **Home Center Buyer**

It seems like someone always wants to sell you a line. How many can you carry?

What you really need is Sunny Wood. Not just another line, Sunny Wood delivers great value by blending automated production techniques with experienced craftsmanship and caring. We even match stain colors between furniture and accessories, so your customers keep coming back.

You even have a choice of fully assembled or KD, shipped from California, Tennessee or FOB factory.

Part of one of the largest private enterprises in the Far-East, Sunny Wood is a long-time supplier to brands you know well. Now Sunny Wood offers that same quality, value and experience directly to home centers.

You may not think you need another bath furniture line, but after looking at Sunny Wood, you'll think again.

SUNNY WOOD **Bright Ideas Fashioned in Wood**

12724 Moore Street, Cerritos, CA 90701 • 213/926-6533

SOME PEOPLE THINK HARDWARE IS HARDWARE.

To find out why we never stop improving our hardware, call John Cooper (203) 225-5111.

STANLEY
HARDWARE

THORO'S FAMILY OF D-I-Y PRODUCTS HELP GUARANTEE PROFITS.

Thoro System Products are in big demand with D-I-Y customers because Thoro products waterproof, seal, repair, maintain and protect concrete and masonry, above or below ground, indoors or out — with concrete results.

To help guarantee profits, Thoro has increased local and national advertising on TV, radio and in print and has a complete Co-op Advertising and Promotional Program that sells Thoro products directly to your customers.

For products that sell and stay sold, it's Thoro.

THORO SYSTEM PRODUCTS, Consumer Products Division
Dept. NH8
7800 N.W. 38th Street
Miami, Florida 33166

THORO SYSTEM PRODUCTS, INC.

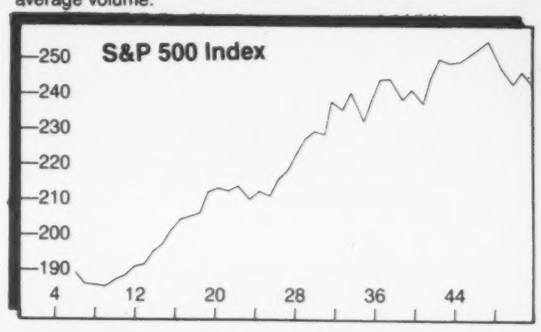
FINANCIAL NEWS

The home center retailer and manufacturer stock market indices are a measurement of the changes in aggregate market value compared to their value on Feb. 1, 1985, which has been set to equal 100 on the index. Aggregate market value is the sum of each stock's price multiplied by its number of shares outstanding, adjusted to eliminate the effects of additions or deletions of companies to the *NHCN* stock list.

Most Active Stocks

Company & Market	Total 2-Week Volume	Volume Trend Change	2-Week Price Change
8-08-86	(100)	%	%
Owens Corning ..... N	137,163	763.6	40.5
Zayre Corp ..... N	61,860	401.9	- 23.0
Insilco Corp ..... N	8,864	260.0	14.1
Allegheny Int ..... N	8,480	253.4	- .8
Hechinger B ..... M	1,774	205.3	1.1
INTERCO Inc ..... N	8,523	183.8	- 1.2
DeSoto Inc ..... N	567	183.3	.3
Certain-teed ..... N	4,472	162.2	- .9
Mor-Flo Inds ..... M	252	160.5	- 7.9
Newell Co ..... N	4,119	150.3	5.9

The Volume Trend Change is the per cent difference between the latest 2-week average volume and the previous 12-week average volume.*



Price Movement

Company & Market	2-Weeks Ended 8-08-86	2-Week Price Change	Total 2-Week Volume
Winners	$	%	(100)
Owens Corning ..... N	76.75	40.5	137,163
Insilco Corp ..... N	22.25	14.1	8,864
Newell Co ..... N	27.13	5.9	4,119
Macmillan Bloedel ..... M	26.38	1.4	258
Hechinger A ..... M	21.50	1.2	5,045
Hechinger B ..... M	22.75	1.1	1,774
DeSoto Inc ..... N	36.88	.3	567
Weyerhaeuser ..... N	31.88	.0	21,608
Natl Hardgoods ..... M	10.00	.0	129
Forest City Ent ..... A	31.00	.0	10
Losers	**$**	**%**	**(100)**
Homecrafters Whse ..... M	.38	- 25.0	462
Zayre Corp ..... N	28.00	- 23.0	61,860
Svc Merchandise ..... M	8.88	- 14.5	26,486
Emhart Corp ..... N	32.63	- 10.3	2,981
Natl Lumber ..... M	5.25	- 8.7	241
Pay N Pak ..... N	13.75	- 8.3	5,221
Pope & Talbot ..... N	18.00	- 8.3	483
Payless Cash ..... N	19.50	- 8.2	14,906
Lowe's Cos ..... N	28.50	- 8.1	10,880
Mor-Flo Inds ..... M	14.50	- 7.9	252

National Home Center News.

HOME CENTER MARKET SUMMARY

Company and Market	2-Weeks Ended 8-08-86	2-Weeks Change Amt.	2-Weeks Change Pct.	2-Week Range High	2-Week Range Low	52-Week Range High	52-Week Range Low	Volume: 2-Weeks Shares Traded Total	Volume: 2-Weeks Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-
Retailers																	
Color Tile ..... M	21.25	- 1.13	- 5.0	22.50	21.13	24.63	16.88	5,235	5.54	2.92	89.7	14.2	.00	.0	.....	9 mos.	03-86
Erb Lumber ..... M	15.50	- .88	- 5.3	16.50	15.00	19.25	5.75	200	.60	1.19	- 49.6	9.0	.00	.0	.....	3 mos.	03-86
Forest City Ent ..... A	31.00	.00	.0	31.00	31.00	31.25	22.00	10	.01	.08	- 87.5	42.5	.30	1.0	.....	3 mos.	04-86
Grace W R ..... N	48.63	- 2.13	- 4.2	50.38	47.38	60.75	35.50	18,802	4.53	2.28	98.7	15.0	2.80	5.8	.....	6 mos.	06-86
Handyman ..... A	29.88	- .50	- 1.6	30.63	29.75	36.00	21.75	180	.70	.58	20.7	12.2	.20	.7	.....	3 mos.	03-86
Hechinger A ..... M	21.50	.25	1.2	21.75	21.00	23.59	12.81	5,045	4.62	2.64	75.0	NA	.16	.7	.....		00-00
Hechinger B ..... M	22.75	.25	1.1	23.00	22.50	23.59	12.81	1,774	.58	.19	205.3	28.4	.06	.3	.....	3 mos.	04-86
Homecrafters Whse ..... M	.38	- .13	- 25.0	0.75	0.25	5.50	.25	462	1.63	.81	101.2	NE	.00	.0	.....	fiscal	01-86
Home Depot ..... N	17.13	- 1.00	- 5.5	18.00	15.88	21.75	10.50	4,907	1.95	2.14	- 8.9	38.1	.00	.0	.....	3 mos.	04-86
INTERCO Inc ..... N	42.25	- .50	- 1.2	43.00	38.63	47.63	31.38	8,523	2.98	1.05	183.8	14.0	1.60	3.8	.....	3 mos.	05-86
K mart Cp ..... N	51.00	- 3.50	- 6.4	55.00	49.88	57.38	30.63	51,101	4.06	2.69	50.9	25.9	1.48	2.9	.....	3 mos.	04-86
Lowe's Cos ..... N	28.50	- 2.50	- 8.1	31.25	27.75	41.50	20.75	10,880	2.78	1.71	62.6	17.6	.40	1.4	.....	3 mos.	04-86
Mich General ..... A	2.63	- .13	- 4.5	2.88	2.25	5.63	2.25	3,759	3.31	1.58	109.5	NE	.00	.0	NEW	6 mos.	06-86
Natl Hardgoods ..... M	10.00	.00	.0	10.00	10.00	10.25	5.50	129	1.05	1.49	- 29.5	23.8	.00	.0	.....	3 mos.	04-86
Natl Lumber ..... M	5.25	- .50	- 8.7	5.75	5.25	7.00	4.00	241	.43	.66	- 34.8	NE	.00	.0	.....	*	04-86
Pay N Pak ..... N	13.75	- 1.25	- 8.3	15.00	13.00	19.38	11.63	5,221	5.22	2.98	75.2	16.4	.64	4.7	.....	3 mos.	05-86
Payless Cash ..... N	19.50	- 1.75	- 8.2	22.50	19.00	27.50	13.50	14,906	4.30	2.27	89.4	16.3	.16	.8	.....	6 mos.	05-86
Scotty's Inc ..... N	14.00	- 1.13	- 7.4	15.50	14.00	18.13	12.38	663	.46	.47	- 2.1	13.2	.52	3.7	.....	9 mos.	03-86
Sears, Roebuck ..... N	42.50	- 1.38	- 3.1	43.88	41.00	50.38	31.75	60,114	1.65	1.12	47.3	12.3	1.76	4.1	.....	3 mos.	03-86
Svc Merchandise ..... M	8.88	- 1.50	- 14.5	10.00	8.25	16.13	8.25	26,486	7.95	4.45	78.7	NE	.08	.9	.....	3 mos.	03-86
Std Brd Pnt ..... N	21.25	- .13	- .6	21.88	19.38	25.63	18.75	3,551	17.55	9.72	80.6	16.9	.58	2.7	.....	3 mos.	04-86
Supermkts Gen ..... N	57.00	- 2.25	- 3.8	59.50	56.25	63.88	39.88	2,617	1.37	.97	41.2	16.0	.56	1.0	.....	3 mos.	04-86
Wickes Cos ..... A	5.50	- .13	- 2.2	5.88	4.88	7.00	3.88	125,829	9.12	3.70	146.5	28.9	.00	.0	.....	3 mos.	04-86
Wolohan Lumber ..... M	8.88	- .13	- 1.4	9.00	8.50	10.75	5.25	3,474	5.93	2.43	144.0	12.7	.16	1.8	NEW	6 mos.	06-86
Zayre Corp ..... N	28.00	- 8.38	- 23.0	36.25	26.25	43.88	23.88	61,860	10.39	2.07	401.9	17.2	.32	1.1	.....	3 mos.	04-86
Wholesalers																	
Lewis Palmer ..... M	8.38	- .50	- 5.6	8.75	8.00	9.88	6.38	894	2.29	1.28	78.9	33.5	.28b	3.3	.....	3 mos.	04-86
Manufacturers																	
Allegheny Int ..... N	15.88	- .13	- .8	16.25	11.38	28.75	11.38	8,480	7.88	2.23	253.4	NE	.00	.0	NEW	6 mos.	06-86
Am Standard ..... N	37.25	- .25	- .7	37.75	36.00	46.88	27.00	7,796	2.07	1.41	46.8	7.4	1.60	4.3	NEW	6 mos.	06-86
Armstrng Wrld ..... N	55.88	- 3.38	- 5.7	60.25	50.75	69.88	31.88	7,144	2.97	1.44	106.3	12.5	1.44	2.6	NEW	6 mos.	06-86
Black & Decker ..... N	15.38	- .38	- 2.4	16.00	14.50	25.25	14.50	13,239	2.28	1.78	28.1	23.3	.40	2.6	.....	9 mos.	06-86
Boise Cascade ..... N	51.88	- 2.25	- 4.2	54.88	51.50	59.88	39.63	6,714	2.29	1.37	67.2	16.4	1.90	3.7	.....	6 mos.	06-86
Certain-teed ..... N	28.25	- .25	- .9	28.63	24.63	38.50	22.38	4,472	2.36	.90	162.2	9.8	.90	3.2	.....	6 mos.	06-86
Champ Intl ..... N	23.25	- .63	- 2.6	23.88	22.50	29.75	20.25	25,157	2.66	1.78	49.4	16.0	.52	2.2	.....	6 mos.	06-86
DeSoto Inc ..... N	36.88	.13	.3	39.00	36.25	41.38	31.50	567	1.19	.42	183.3	12.3	1.40	3.8	NEW	6 mos.	06-86
Emhart Corp ..... N	32.63	- 3.75	- 10.3	36.38	31.13	42.63	26.38	2,981	.98	.59	66.1	12.1	1.40	4.3	.....	6 mos.	06-86
Georgia-Pacifc ..... N	29.75	- 2.13	- 6.7	32.00	29.25	34.25	20.63	26,712	2.58	1.33	94.0	19.3	.80	2.7	.....	6 mos.	06-86
Insilco Corp ..... N	22.25	2.75	14.1	24.75	18.25	24.75	16.63	8,864	4.50	1.25	260.0	16.1	1.00	4.5	.....	6 mos.	06-86
La Pacific ..... N	24.00	- .50	- 2.0	24.63	22.88	30.13	17.13	8,148	2.20	1.01	117.8	19.5	.80b	3.3	.....	6 mos.	06-86
Macmillan Bloedel ..... M	26.38	.38	1.4	27.50	26.13	28.63	12.47	258	.08	.14	- 42.9	NA	.50b	NA	NEW	6 mos.	06-86
Manville Cp ..... N	2.50	- .13	- 4.8	2.75	2.50	8.88	2.50	8,369	3.49	1.98	76.3	NE	.00	.0	.....	6 mos.	06-86
Masco Corp ..... N	28.38	- 1.50	- 5.0	30.13	28.38	34.50	15.25	16,713	1.30	.84	54.8	20.1	.32	1.1	NEW	6 mos.	06-86
Mor-Flo Inds ..... M	14.50	- 1.25	- 7.9	15.50	14.50	19.25	14.50	252	.99	.38	160.5	11.3	.01	.1	.....	3 mos.	03-86
Newell Co ..... N	27.13	1.50	5.9	28.00	25.00	36.75	15.63	4,119	3.68	1.47	150.3	12.9	.70	2.6	.....	6 mos.	06-86
Owens Corning ..... N	76.75	22.13	40.5	77.25	53.25	77.25	32.13	137,163	46.03	5.33	763.6	16.3	1.40	1.8	.....	6 mos.	06-86
Ply-Gem ..... A	12.75	- .25	- 1.9	13.13	12.50	15.50	9.59	2,015	2.74	1.39	97.1	14.7	.12	.9	NEW	6 mos.	06-86
Pope & Talbot ..... N	18.00	- 1.63	- 8.3	19.75	17.75	24.75	16.75	483	.81	.73	11.0	18.9	.80	4.4	.....	6 mos.	06-86
Potlatch Cp ..... N	54.13	- .13	- .2	55.25	51.75	55.25	32.25	2,463	1.89	.88	114.8	16.6	1.56	2.9	.....	6 mos.	06-86
Sherwin-Wms ..... N	26.00	- .38	- 1.4	26.38	24.50	32.25	16.63	11,995	2.60	1.60	62.5	15.7	.50	1.9	.....	6 mos.	06-86
SW Forest Ind ..... N	12.50	- .25	- 2.0	13.88	12.38	15.88	9.88	2,987	2.95	2.62	12.6	NE	.00	.0	NEW	6 mos.	06-86
Stanley Works ..... N	36.00	- .50	- 1.4	38.25	35.50	46.25	27.63	4,150	1.49	.88	69.3	12.5	1.04	2.9	.....	6 mos.	06-86
Thos Inds ..... N	21.13	- .38	- 1.7	21.75	20.00	26.75	16.19	661	.73	.43	69.8	11.4	.68b	3.2	.....	6 mos.	06-86
USG Corp ..... N	35.25	- 1.38	- 3.8	37.13	32.00	42.75	18.31	14,214	2.10	1.19	76.5	9.4	.96	2.7	NEW	6 mos.	06-86
Walter, Jim ..... N	46.00	- .38	- .8	46.50	41.38	48.00	26.00	11,175	3.85	2.06	86.9	17.3	1.40	3.0	.....	9 mos.	05-86
Waxman Ind ..... M	14.50	- .50	- 3.3	15.25	14.13	17.13	10.00	769	2.45	1.82	34.6	17.9	.08	.6	.....	9 mos.	03-86
Weyerhaeuser ..... N	31.88	.00	.0	33.75	31.25	40.25	24.75	21,608	1.66	.87	90.8	22.1	1.30	4.1	NEW	6 mos.	06-86

Company and Market	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Retailers												
Color Tile ..... M	97.9	7.9	3.4	9.7	.36	9.1	280.1	12.3	10.0	7.5	1.06	5.0
Erb Lumber ..... M	35.1	33.5	(.3)	NE	(.10)	NE	35.1	33.5	(.3)	NE	(.10)	NE
Forest City Ent ..... A	88.0	19.4	.2	.0	.03	50.0	88.0	19.4	.2	.0	.03	50.0
Grace W R ..... N	1410.5	- 26.1	86.4	108.7	2.06	148.2	2661.0	- 23.7	83.3	8.3	1.98	27.7
Handyman ..... A	62.6	.8	(.2)	- 100.0	(.06)	- 100.0	62.6	.8	(.2)	- 100.0	(.06)	- 100.0
Hechinger A ..... M	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Hechinger B ..... M	136.9	19.5	4.9	28.9	.16	14.3	136.9	19.5	4.9	28.9	.16	14.3
Homecrafters Whse ..... M	41.4	17.6	(10.1)	NE	(3.62)	NE	184.4	17.9	(23.6)	NE	(8.42)	NE
Home Depot ..... N	222.6	53.5	5.1	168.4	.20	150.0	222.6	53.5	5.1	168.4	.20	150.0
INTERCO Inc ..... N	579.2	- 1.7	14.4	28.6	.46	27.8	579.2	- 1.7	14.4	28.6	.46	27.8
K mart Cp ..... N	5212.4	4.6	91.6	56.6	.70	52.2	5212.4	4.6	91.6	56.6	.70	52.2
Lowe's Cos ..... N	534.0	18.1	11.4	- 4.2	.31	- 6.1	534.0	18.1	11.4	- 4.2	.31	- 6.1
Mich General ..... A	120.0	.8	(2.6)	NE	(.22)	NE	211.2	2.0	(8.5)	NE	(.75)	NE
Natl Hardgoods ..... M	6.5	- 3.0	.0	- 100.0	.03	200.0	6.5	- 3.0	.0	- 100.0	.03	200.0
Natl Lumber ..... M	NC	NC	NC	NC	NC	NC	32.6	NC	(.6)	NC	(.10)	NC
Pay N Pak ..... N	105.1	27.1	2.3	9.5	.23	9.5	105.1	27.1	2.3	9.5	.23	9.5
Payless Cash ..... N	428.8	14.1	15.6	20.0	.45	15.4	703.3	11.5	18.0	23.3	.52	18.2
Scotty's Inc ..... N	128.4	5.5	4.1	- 18.0	.28	- 26.3	359.3	7.9	9.7	- 19.2	.67	- 25.6
Sears, Roebuck ..... N	9390.3	7.1	195.3	- 12.5	.52	- 13.3	9390.3	7.1	195.3	- 12.5	.52	- 13.3
Svc Merchandise ..... M	457.1	31.7	(29.2)	NE	(.88)	NE	457.1	31.7	(29.2)	NE	(.88)	NE
Std Brd Pnt ..... N	77.8	- 3.8	3.3	- 31.3	.29	- 32.6	77.8	- 3.8	3.3	- 31.3	.29	- 32.6
Supermkts Gen ..... N	1337.3	10.0	12.3	4.2	.67	1.5	1337.3	10.0	12.3	4.2	.67	1.5
Wickes Cos ..... A	995.1	40.9	15.7	NE	.02	NE	995.1	40.9	15.7	NE	.02	NE
Wolohan Lumber ..... M	55.1	27.0	1.8	38.5	.30	25.0	83.2	25.1	1.7	70.0	.28	55.6
Zayre Corp ..... N	1044.5	32.2	16.7	9.9	.28	3.7	1044.5	32.2	16.7	9.9	.28	3.7
Wholesalers												
Lewis Palmer ..... M	33.8	2.4	.1	NC	.02	NC	33.8	2.4	.1	NC	.02	NC
Manufacturers												
Allegheny Int ..... N	445.7	- 10.5	(1.6)	- 100.0	(.85)	- 100.0	912.9	- 8.9	10.3	- 31.3	(.44)	NE
Am Standard ..... N	819.4	8.4	80.1	114.7	2.12	123.2	1534.4	7.7	130.3	126.2	3.42	132.7
Armstrng Wrld ..... N	487.0	13.3	33.8	4.6	1.40	4.5	917.9	13.8	56.7	12.9	2.35	12.4
Black & Decker ..... N	416.5	12.0	2.8	NE	.03	NE	1353.3	5.9	25.3	- 31.1	.46	- 36.1
Boise Cascade ..... N	945.1	- .8	31.3	- 1.3	1.07	.0	1861.7	- 2.5	56.3	- 13.4	1.90	- 13.2
Certain-teed ..... N	286.1	- 1.7	16.2	- 1.8	.85	1.2	541.1	- .5	26.7	8.1	1.41	12.8
Champ Intl ..... N	1096.4	- 31.4	50.5	16.6	.51	21.4	2218.7	- 31.6	72.5	- 16.8	.71	- 16.5
DeSoto Inc ..... N	131.5	2.8	4.9	- 23.4	1.02	- 23.9	228.3	3.3	7.3	1.4	1.53	1.3
Emhart Corp ..... N	527.9	17.4	19.8	- 25.8	.67	- 30.2	1037.5	19.3	37.8	- 10.2	1.32	- 13.2
Georgia-Pacifc ..... N	1929.0	7.5	86.0	28.4	.79	29.5	3533.0	4.7	116.0	.0	1.04	.0
Insilco Corp ..... N	197.1	- 14.6	11.5	8.5	.57	.0	377.4	- 11.8	18.3	10.2	.91	1.1
La Pacific ..... N	394.0	14.2	24.5	390.0	.67	415.4	716.6	16.3	25.9	250.0	.71	255.0
Macmillan Bloedel ..... M	698.7	16.8	49.1	529.5	1.31	3175.0	1311.9	15.4	78.3	652.9	1.99	NE
Manville Cp ..... N	490.6	- 2.0	25.2	23.5	.79	33.9	946.1	1.3	37.2	14.1	1.03	22.6
Masco Corp ..... N	327.0	27.7	51.6	42.1	.40	29.0	635.0	30.9	96.7	34.7	.75	21.0
Mor-Flo Inds ..... M	52.4	.0	.7	- 58.8	.28	- 56.9	52.4	.0	.7	- 58.8	.28	- 56.9
Newell Co ..... N	95.1	16.4	5.1	6.3	.46	- 13.2	189.6	17.6	9.2	15.0	.90	2.3
Owens Corning ..... N	925.4	17.2	34.9	72.8	1.16	70.6	1791.5	22.0	57.8	19.9	1.93	18.4
Ply-Gem ..... A	59.1	38.1	2.4	166.7	.30	100.0	109.7	31.4	4.4	120.0	.56	60.0
Pope & Talbot ..... N	76.1	- 10.7	3.6	89.5	.60	100.0	150.2	- 10.8	3.1	- 24.4	.51	- 23.9
Potlatch Cp ..... N	249.9	.5	19.5	85.7	1.40	129.5	483.2	.0	33.1	50.5	2.35	83.6
Sherwin-Wms ..... N	598.3	- 1.4	30.5	7.0	.65	4.8	1101.0	.2	37.4	9.4	.80	6.7
SW Forest Ind ..... N	158.5	- 11.4	(4.0)	NE	(.25)	NE	301.0	- 13.8	(12.0)	NE	(1.19)	NE
Stanley Works ..... N	402.6	29.1	20.5	6.8	.73	4.3	726.8	23.4	35.2	6.0	1.26	3.3
Thos Inds ..... N	77.1	- 2.3	4.3	10.3	.47	4.4	147.9	- 3.2	7.5	5.6	.83	5.1
USG Corp ..... N	752.6	16.6	76.2	23.5	1.15	25.0	1374.7	11.4	127.9	22.7	1.96	25.6
Walter, Jim ..... N	NC	NC	(11.5)	- 100.0	(.16)	- 100.0	626.9	- 62.3	38.5	- 47.5	1.26	- 53.2
Waxman Ind ..... M	25.3	23.4	.7	40.0	.23	NE	70.1	14.2	1.8	5.9	.58	- 12.1
Weyerhaeuser ..... N	1497.4	6.9	68.4	14.6	.46	12.2	2804.1	4.8	118.4	20.9	.77	18.5

All data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting period
3 mos.—First quarter of fiscal year
6 mos.—First six months of fiscal year
9 mos.—First nine months of fiscal year
Fiscal—Fiscal year
NEW—New report since last issue

Last 52 Weeks

General Field Footnotes
NA—Not available or not applicable
NC—Data required for calculation currently incomplete in our files
NE—Negative earnings invalidate calculations
NM—No meaningful figure
a—Under dividend amount, indicates a stock dividend
b—Indicates cash plus stock dividend when applied to dividend amount column

P/E Ratio—Price/earnings ratio
E.P.S.—Earnings per share

Market
N—New York Stock Exchange
A—American Stock Exchange
O—NASDAQ Over-the-Counter
M—NASDAQ National Market

*Two-week average volume equals the number of shares traded divided by the number of shares outstanding during the latest two-week period. Twelve-week average volume equals the number of shares traded divided by the number of shares outstanding over the previous 12 weeks.

All earnings data and all related calculations using earnings data use primary earnings from total operations and after taxes. Earnings are before extraordinary items, when such items are applicable.

Data and Table Provided by Media General Financial Services Inc., Richmond, Va. 23219